EUROPEAN GOVERNMENTS PROFIT BY RACETRACK BETTING

Madame Magdalein Chaumont, a well known French modiste at Longchamps races.

One of the new capes.

A well dressed French woman at Bois de Boulogne.

An attractive summer outfit.

Betting has taken the place of styles at the French race courses.

Germany Will Raise $6,000,000 This Year by Taxing Bookmakers—France Controls Pari-Mutuels

Accompanying Photographs Show the Latest Styles Exhibited by Modistes at the French Race Courses

NEVER was Berlin so brilliant. Yet Germany is disquieted.

Much of this brilliant public life is due to racing; on the other hand too many citizens are learning to bet.

It is the eternal dilemma of European States, which seek a brilliant public life for their cities and successful seasons for their resorts.

So this year Germany taxes bookmakers.

Thus the Government hopes to secure $3,000,000 extra revenue per year. In Berlin alone there are 2,700 professional bookmakers who offer odds, accept stakes and make bets with the public. In all Germany they number 6,050, doing business with some 2,000,000 citizens who play the races in 614 cities and towns of the empire.

A formidable increase of betting! It explains the new tax and the extraordinary sum alleged to be expected from it. The bookmakers of course will get back their $3,000,000 from the betting public, who will bet less with them probably as their odds become less tempting. Germany will be satisfied even if she gets less taxes from the bookmakers. She desires to drive the public from them—gently, the iron hand in the velvet glove. The more so, as the more hardened public will go and bet more with the Government's own pari-mutuels on the track, from which in 1913 the empire took a rakeoff of $3,125,000 for its trouble in supervising them!

So Germany hopes to realize $6,000,000 from bookmakers and mutual betting, and if less be produced Germany will not care. It will mean less betting among small beginners—a vast proportion of the 2,000,000 as estimated by the *Publizistiche Arbeiten*. Think of it, $5,000,000 rakeoff, calculated 8 per cent., would make the average sport's total betting less than $40 per year!

Germany's action is logical.

Like France, she has tried everything to solve the problem.

It has been proved that racing without betting cannot make a brilliant season. And betting without State supervision invites all the evils which drove racing from America.

The experience of France is instructive. France tried honestly to crush out betting. Things were very bad at the time. Combinations of bookmakers were owning horses and deciding winners in advance, and Joseph Oller, the immortal inventor of mutual betting, had opened a palatial poolroom in the centre of the boulevards in Paris for clerks to risk their money. Then came the famous Goblet circular which stopped all betting and ruined a Paris season.

Merely spectacular racing could not maintain itself. The attendance fell off.

The great agriculturists protested. Sporting Paris languished. The spring season was dull. Wealthy tourists did not stay. Paris luxury and commerce had no triumph in a Grand Prix gone on strike.

Then Paris commerce made its voice heard. The powerful syndical chambers of dressmakers, milliners, lingerie dealers, jewellers, florists, corset makers, the united department stores, art dealers, cab companies and associated theatres, music halls, cafes, restaurants and hotels all spoke with no uncertain voice:

"Bring back real racing!"

The solution was simple.

It is that of Germany and most European countries. I say nothing of its morality. In the name of prosperity the Government purified the races by becoming stake holder!

I refer, of course, to the mutual betting, which most European Governments administer. Joseph Oller began by inventing the totalizer. It was a great booth hauled to the racetrack and having numerous dials to indicate the number of simple dollar bets put on each horse. When the race was run they totalized the dollar bets on all losers and divided them up among the dollar bets on the winners—less 10 per cent. for M. Oller's pocket.

M. Oller's success was so great that he lost his head. When he set up his first of all poolrooms in the boulevard it was too much.

"We can't have public gambling in mid-Paris!" was the general sentiment.

For here was gambling merely for gambling and not as a stimulus to attend the races and make a show ground for fashion and commerce. They declared M. Oller's plant a game of chance.

Following on this came the short reign of the bookmakers and the welching scandals which brought about the Goblet ciercular. At one swoop all betting was prohibited. I have mentioned how the attendance fell off, and Paris commerce, joining with the agricultural societies and racing interests, forced the Government to reestablish betting.

The Government called in M. Oller. Poor M. Oller! He brought in a still greater invention called the counting tickets—yet a good thing for him to-day, because the privilege of printing them is all that he has left.

With the counting tickets mutual betting could expand to the needs of Parisian democracy. It has an infinity of numbers. A hundred booths can hand out numbered tickets as fast as the money comes in—and to double the business you merely double the booths!

"Pari" means "bet"—pari-mutuels, mutual bets. The tickets are used all over the world now. By ingenious order numbers they show at a glance the race, the horse and how many betting unities have been sold on that horse up to the sale of the ticket.

Suppose the booths are ready for a race. Against the wall, behind the counter, they pack a block of tickets for each horse that will run. The larger number on each exposed ticket shows how many tickets have been sold on that horse. As they are always the same unity—$2 booths, $4 booths, $10 booths, &c.—you can get a vague idea of what any horse will pay.

Imagine the horse has won and then divide up the totals of the losers among as many as have bet on him. If the mass of booths have sold in the same proportions the idea will be correct. Often they don't. Often there is a run on a horse in certain booths at the last moment, which modifies all calculations.

They pay off in five minutes. Runners take the totals from each booth to the central office. The average is rapidly calculated and the price goes back immediately to each paying booth.

Rich and poor alike bank on the system. Mingled with delicious uncertainty, there is a feeling that great averages cannot tell lies.

In the first year the mutual betting held $20,000,000 stakes. M. Oller, whose commission was reduced to 8 per cent., pocketed $1,600,000, less what he had to give back to the race societies. But they wanted his system and were tender with him.

And, once again, it was too good! Poor M. Oller! He who built the Moulin Rouge, the Jardin de Paris, Casino, Olympia and the Rochechouart Swimming Baths, always erred by making too great a success. Three years later the French Government said to M. Oller:

"We compliment you. Your system works beautifully. We authorize all race societies to use it—and shall administer it ourselves!"

They took it away from him.

In a word, the French State adopted mutual betting on condition that it should hold and distribute the stakes—and pocket the profits!

The idea is that such profits from such dubious sources are justified only by worthy uses. The rakeoff is 8 per cent. Charity gets 2 per cent. Hygiene gets 1 per cent. Agricultural prizes 1 per cent. And 4 per cent. goes to the race societies which produce the money and by their embellishments and attractions make a brilliant Paris season. Also, they have to settle with M. Oller—pay him for printing those tickets.

Last year the profits were 8 per cent. on $5,000,000 bet in Government booths, principally on nine Parisian race tracks, whose total was in round figures $62,800,000. Other French cities and resorts did the balance.

Eight per cent. on $85,000,000 makes $6,800,000 profits to the French State—and from mutual betting only. Germany proposes to raise half of her six millions by taxing bookmakers.

The bookmakers in France escape taxation. After the great shakeup the more honorable among them formed the club which still exists. No money passes on the track. The bookmakers just lounge at ease, accepting bets by nods and fingers from the rich sports whom they can trust. At night they meet at the club and settle. They are assimilated to private gentlemen.

The greater number of bookmakers are clandestine, make no books and do not go near the races. This is why they are untaxable. In almost any cafe you can put a bet on if a waiter knows you. He will call an agent for one of a dozen rich bookmaking rings.

Taking your money the waiter agent will write you a ticket on a sheet of plain white paper, just the date, sum, horse's name and "race" or "place." If you win the same waiter will very honestly hand you the Government mutual betting price. The rings find it good business to pay pari-mutuels prices—they earn 8 per cent. automatically.

How tax such bookmakers? A secret service army wars on them, yet they thrive. The people of Paris are with them. They permit the masses to gamble at Government prices, without the trouble, expense and loss of time in going to the race track.

Which, of course, is just what the Government wants to prohibit.

"Bet on the track!" it says, "but only on the track."

Of course it is a vast success. On Grand Prix day the total Longchamps public runs to half a million. Every race day of the year twenty, forty, sixty, eighty thousand persons pay their 40 cents entrance to the field, $1 to the tribunes or $2 or $4 to the flowery paddock. And when Longchamps closes it is Auteuil, Chantilly, St. Ouen, Vincennes, St. Cloud, Maisons, Enghien or Le Tremblay. They are racing round Paris all the year except midwinter.

To see the horses run, think you?

To see the new styles? Magnificent, astonishing, amusing, rich and often laughable as is the spectacle, the real attraction is betting—betting in an atmosphere of optimism and excitement, amid vast throngs all agog with rumors, tips and flurries in a setting of pure beauty.

Where do they get their money to bet with? Here is the continual mystery to the present writer. It is not so much the poor clerk who goes wrong, but the good father and dear, patient mother who go out and lose the rent money. I know a retired General who is wasting his daughter's marriage portion on pretext of increasing it.

I know a Paris business man whose firm is making money. His partners value him and seek to wean him from the races. He says that his health requires him to take air; it also makes him win or lose $500 of an afternoon!

I know a young woman who made a success as dressmaker. Backers installed her in a Rue Tronchet lease with cutter, ten hands and two mannequins. She used to pay dividends. Now she finds it necessary to follow her mannequins to the races when they show the gowns off. She meets customers who chat with her and introduce her to others. Yet, is it not queer? She has stopped paying dividends!

I know a young bourgeois couple who live handsomely on the income of stocks and bonds which their parents gave them when they married. She wanted to see the styles at the races—and now they have broken into their capital!

I know—I know—listen. The daily papers have their race service indicating winners with reasoned chats of past performances of horse and jockey, of stable, owner, trainer, weather, track conditions.

Then there are three special dailies suited to the understandings of plain sports, smug family sports and gilded knowing sports.

Then there are two extra special tabulating dailies which accumulate the entire data of the others!

How could any workingman go wrong? How shall not father, drawing his annuity, go out and double it to make things easier at home? Why should not mamma with the furniture instalment money win the price of a spring hat? And their losses are vast, bitter and deep reaching!

A TOUGH CLUB WHICH ENJOYS FIFTY YEARS OF RESPECTABILITY

"COME over to the Tough Club and meet Red Mike and Violets."

These were the very words of the invitation. I controlled myself fairly well as I took the ticket and wondered if it would explode in my pocket.

Despite the Sullivan law I armed. I did intend stopping in the Eighteenth precinct police station and arranging for the retrieving of my corpse, but at the last moment I perked up and proved once more that pride often enables a man to face death valorously.

I reached 243 West Fourteenth street and stopped shiveringly at the curb. Before me stood the four story home of the redoubtable Tough Club. This was the spot selected by fate to prove whether I was a man or a mouse. I had been comprehensively advised that while there are tough steak and tough times and tough characters by the million there's only one Tough Club. This was where I was to be shown. I entered, thinking of Comrade Dante and that little subway trip he made regardless of the warning posted up at the entrance wicket.

There were a dozen or more members seated at tables. I put on an ingratiating smile. Hard and tough as no doubt they were, perhaps I could deceive them into letting up on me. To tell the truth they didn't look tough, but this no doubt was just the superficial smear of allrightness they put on to cover up their murder work until the time came to strike. I advanced into the room as properly as though I were to be presented to the Kaiser.

"Pray be seated, sir. Yes, this is the Tough Club. Glad indeed you called and to make your acquaintance. Will you partake of refreshment? Or perhaps a good cigar might tempt you? The clubhouse is yours."

Yes, they said this. But dumfounded as I was I would not be caught. No doubt these hospitable expressions were the seasonings they sprinkled on before they began to carve and eat me alive.

"Am I in the home of the—the well known Tough Club?" I inquired of Trustee Frank J. Corbett.

"You are indeed, sir. And welcome to it."

"You — don't — seem — altogether tough."

"We are just as tough as our motto," he smiled back. Ha! Here is where they would reveal themselves. They could not disguise for very long their innate wickedness.

"And what might the motto of your Tough Club be?" I queried faintly.

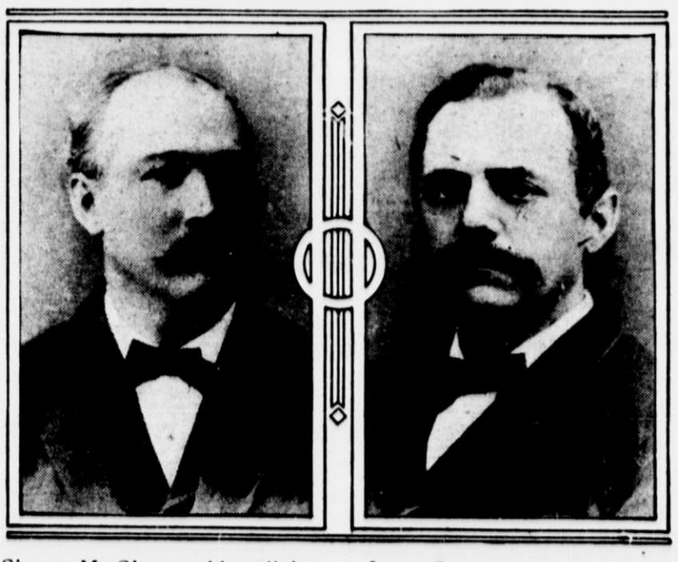
"Our motto is, 'Bend, but Never Break.' It has been our motto for nearly half a century. It will always be our motto. It expresses our spirit exactly."

"No doubt it does," I thought. "The members are probably all jiu-jitsu men—they do all the bending and you do all the breaking. This polite stuff is only a veneer," I made up my mind. "They can't keep it up. I'll watch out a while and pretend that I believe them."

"There is often a very wrong impression formed about our club," went on Trustee Corbett. "We are proud of our name. We only laugh when we hear some of the mistakes that are made regarding us. What are the mistakes? Oh, the people of the good old Ninth ward never make mistakes about us, but often the rest of the city does. Shows you what a name will do. But we are tough about retaining the name despite adverse comment.

I looked over Trustee Corbett's shoulder to see if I could spy out some convicting knockout nook they were trying to cover up. As I looked a member who turned out to be Entertainment Committeeman John T. Clancy tapped me on the arm. I ducked, recovered and forced a smile of faith.

"Come into the back room," said he, "and we'll show you how we fix up Red Mike and Violets to meet strangers."



Simon M. Sharp, oldest living charter member of Tough Club.

Isaac Curry, forty-two years a member.

"Red Mike and Violets," I whispered.

"Sure," said Mr. Clancy, "you always meet them here on St. Patrick's night. We have a big time on that date. We prepare a big lot of 'em."

"A big lot? Might—will—would you mind telling me who Red Mike and Violets are?"

"Why—ha, ha—haven't you met them before? Why, you know—corned beef and cabbage—Red Mike and Violets—same thing, you know."

We went into the back room, which proved to be the club kitchen—as big as a Harlem suite of housekeepings. In one corner I noticed a great iron caldron. I felt sure I had run down the criminal side of the Tough Club at last. This was the dark room, no doubt, where victims were hell before they were garroted in case they would not yield up a proper blackmail.

"What might that dark chamber be?" I queried of another member who didn't look at all tough—Chairman Edward McLean of the entertainment committee.

"Oh, that? Why, that's our ninety gallon chowder pot. Made by the Mott Iron Works specially tough to stand the strain. Every second Saturday we mix and brew 120 gallons of the finest chowder ever rolled over your tongue. Five thousand clams in it."

"Say!" I jerked out, "flash me something tough so long as you're the Tough Club, cancher?"

"We'll introduce you to the toughest guy in the club. He has to be tough. Has to be without a heart. Come and get introduced to Simon M. Sharp."

They had me shake hands with Mr. Sharp. He was tough, they said, simply because he was financial secretary. The job required that quality in any organization. So from this toughest member of the Tough Club the hidden depravity of the fiercely named body was ascertained.

"I am the only living charter member of the Tough Club," said Mr. Sharp. "We organized November 10, 1865, so that next year we shall have completed our half century.

"There is no other organization exactly like us. We are a social club pure and simple, absolutely refusing to attach ourselves to politics or any other specific thing for which so many other clubs are organized.

"We were incorporated as the Tough Club, with the motto, 'Bend but Never Break' embraced within a horseshoe as an emblem, June 29, 1896. We changed our clubhouse half a dozen times until in 1893 we moved to 27 Grove street. For nineteen years that was our home until we bought our present clubhouse outright, November 8, 1912.

To all of the special functions the President of the United States has been invited for years. His answers to the invitations are on view in the club's big scrapbook. Do not imagine the regrets sent by the Presidents are mere perfunctory acknowledgments. The one sent by Woodrow Wilson last month was as elaborate as any issuing from the White House—suspicious as the name of the Tough Club is.

"You're as tough looking as we are," said John Palmer, a member that eight years, and Charles Cropsey a close second, as I came away. "Come around chowder night and prove you're as tough as you look. We're all aiming to be respectable rowdies in a [illegible] Club."